

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re

LEHMAN BROTHERS HOLDINGS INC., et al.,

Debtors.

Chapter 11 Case No.

08-13555 (JMP)

(Jointly Administered)

LBH OMNI131 04-18-2011 (MERGE2,TXNUM2) 4000060769 BAR(23) MAIL ID *** 000044779696 *** BSIUSE: 325

KENNEY, ARTHUR J.
200 EAST END AVE, APT 5-DE
NEW YORK, NY 10128

CLAIM TO BE RECLASSIFIED

Creditor Name and Address:

KENNEY, ARTHUR J.
200 EAST END AVE, APT 5-DE
NEW YORK, NY 10128

Claim Number:

14067

Date Filed:

9/16/2009

Debtor:

08-13555

Classification and Amount:

**PRIORITY: \$ 10,950.00
UNSECURED: \$ 54,222.11
TOTAL: \$ 65,172.11**

5/13/2011

Gentlemen,

I respectfully object to the reclassification of claim \$ 65,172.11, as it represents earned, unpaid sales commissions were accrued for the Lehman Brothers fiscal year 2008, starting on December 1, 2007 through the time that bankruptcy was declared in September 2008.

During that part of the Lehman Brothers fiscal year, a total of \$94,853.12 earned but unpaid sales commissions were accrued and segregated. On July 1, 2008, \$29,681 of the segregated funds were used to purchase 1,416.06 Restricted (Lehman Brothers) Stock Units at a price of \$17.91 per unit.

The balance of the earned, unpaid, accrued sales commissions was a total of \$65,172 at the time of bankruptcy, and were never converted to equity.

In the copy of "The 2008 Equity Awards Program for Senior Vice Presidents" provided with the claim filed on 9/16/2009, at the bottom of page 5, footnote #2, please note: "For the purposes of The Equity Award Program, 'production-based' employees are those employees, like Investment Representatives, who throughout the performance year receive production-based compensation a portion of which is cash (e.g., commissions) and a portion of which represents an accrual towards a year-end equity award." A portion of the accrued commissions (\$29,681) were converted to equity on July 1st, and attached is a statement printed on 9/12/2008 of the Award Units Outstanding Data as of August 31, 2008. The Statement reflects all Equity Awards outstanding including those purchased on 07/01/2008. The balance of Accrued Commissions for Fiscal Year 2008 (\$65,172.11) were never converted to equity and THIS CLAIM SHOULD NOT BE RECLASSIFIED AS SUCH.

Arthur J. Kenney 5/13/2011
Arthur J. Kenney

² For purposes of the Equity Award Program, "production-based" employees are those employees, like Investment Representatives, who throughout the performance year receive production-based compensation a portion of which is cash (e.g., commissions) and a portion of which represents an accrual toward a year-end equity award. "Production-based" employees typically do not receive any year-end bonus. Employees are classified as "production-based" or "bonus-eligible" in the Firm's discretion. If you have questions about your classification, please contact the Compensation Department or your Human Resources representative.

LEHMAN BROTHERS | LehmanLive

Data as of August 31, 2008

10017249 Arthur J. Kenney

AWARD UNITS' OUTSTANDING

Grant Date	Description	Grant Price	Grant Value ²	Restriction Ends	Units Granted	Dividend Equivalents	Units Delivered	Units Vested ³	Units Outstanding	Market Value at \$3.81*
07/01/2008	July 2008 IR RSU	\$20.9600	\$29,681	11/30/2011	1,416.06	17.91	0.00	0.00	1,433.97	\$5,463
12/07/2007	2007 IR SVP Principal	\$47.6000	\$98,300	11/30/2012	2,065.12	42.53	0.00	0.00	2,107.65	\$8,030
12/07/2007	2007 IR SVP Discount	\$47.6000	\$32,766	11/30/2012	688.37	14.15	0.00	0.00	702.52	\$2,677
12/08/2006	2006 IR SVP Principal	\$57.7700	\$79,150	11/30/2011	1,370.08	40.56	0.00	0.00	1,410.64	\$5,375
12/08/2006	2006 IR SVP Discount	\$57.7700	\$26,383	11/30/2011	456.69	13.60	0.00	0.00	470.29	\$1,792
11/30/2005	2005 IR SVP Principal	\$47.2500	\$71,672	11/30/2010	1,516.86	55.69	0.00	1,572.55	1,572.55	\$5,991
11/30/2005	2005 IR SVP Discount	\$47.2500	\$23,891	11/30/2010	505.62	18.55	0.00	0.00	524.17	\$1,997
12/09/2004	2004 IR SVP Principal	\$32.1750	\$64,429	11/30/2009	2,002.46	89.96	0.00	2,092.42	2,092.42	\$7,972
12/09/2004	2004 IR SVP Discount	\$32.1750	\$21,476	11/30/2009	667.48	30.05	0.00	0.00	697.53	\$2,658
12/10/2003	2003 IR SVP Principal	\$26.7700	\$45,497	11/30/2008	1,699.54	90.70	0.00	1,790.24	1,790.24	\$6,821
12/10/2003	2003 IR SVP Discount	\$26.7700	\$15,165	11/30/2008	566.50	30.05	0.00	0.00	596.55	\$2,273
Total			\$508,410		12,954.78	443.75	0.00	5,455.21	13,398.53	\$51,049

STOCK OPTIONS OUTSTANDING

Grant Date	Description	Exercise Price	Black-Scholes Grant Price	Expiration Date	Black-Scholes Grant Value	Options Granted	Options Exercised	Options Exercisable	Options Outstanding	Intrinsic Value at \$3.81*
12/09/2004	2004 IR SVP Options	\$42.9000	\$11.2250	11/29/2014	\$28,624	2,550	0	1,912	2,550	\$0
12/10/2003	2003 IR SVP Options	\$35.6950	\$10.4200	11/29/2013	\$20,215	1,940	0	1,456	1,940	\$0
12/11/2002	2002 IR SVP Options	\$27.2100	\$9.1250	11/29/2012	\$81,997	8,986	0	8,986	8,986	\$0
12/03/2001	December 2001 SVP Options	\$31.7000	\$10.5100	11/29/2011	\$17,342	1,650	0	1,650	1,650	\$0
Total					\$148,178	15,126	0	14,004	15,126	\$0
Total Equity										\$51,049

* Market value refers to the value of the underlying Lehman Brothers Holdings Inc. shares at the indicated stock price. The intrinsic value of stock options is calculated by multiplying the number of options outstanding by the difference between the indicated stock price and the option exercise price. Please note that the current market price is based on a delayed 20 minutes feed from Reuters. (12:13 PM EDT on September 12 2008)

¹ Award Units are those equity-based awards other than stock options, i.e. Restricted Stock Units, Conditional Equity Awards or Contingent Stock Awards, as applicable.

² Grant Value refers to the value of the underlying Lehman Brothers Holdings Inc. shares at the indicated grant price.

³ Units Vested refers to that portion of the award that has become vested and/or subject to limited conditions, as determined under the applicable plan documents.